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### **2005 state budget agreements focus on job growth and economic stimulation while protecting core education funding**

LANSING – Michigan will be in a better position to create jobs in the new economy because of the 2005 state budget agreements reached today in Lansing, said Sen. Ron Jelinek, R-Three Oaks.

It's great to see a compromise reached on the budget so we can start getting Michigan's economy back on its feet," Jelinek said. "It's not about creating short-term financial fixes, it's about creating long-term budget stability."

The Senate Republicans pushed hard for passage of their JOBS Action Plan as a way to improve Michigan's economic future. The five most recently signed GOP proposals offer tax incentives to small and mid-sized businesses that invest in job creation. They are the latest in a series of 54 bills signed in less than a year that are designed at spurring economic growth.

Jelinek said Republicans also secured additional funding for Michigan's fledgling life sciences industry, doubling it from \$15 million to \$30 million in 2005. They also secured the continued operation of the MSU Agriculture Experiment Station and Cooperative Extension programs without any funding cuts.

"Michigan's future depends on the continued interest in the life-sciences and agricultural industries," Jelinek said. "Providing additional funding will allow for more growth in two industries that can provide needed jobs."

The budget agreement announced today culminates nearly six months of negotiations between the administration and the Legislature. It closes a projected \$1.045 billion deficit with nearly \$595 million in spending cuts and budget accounting adjustments. The agreement sets state general fund spending at \$8.7 billion in 2005.

The agreement also keeps the state's foundation aid payment to public schools at its current level of \$6,700 per pupil while ensuring growing school districts receive sufficient funding to meet increased demand.

"It's important to Michigan's families that support for education is maximized," Jelinek said. "Long-term success for Michigan depends on a solid education system."

Legislators will put the final touches on the 2005 budget when they return to session on Sept. 8 and will finish before the next fiscal year starts on Oct. 1, 2004.

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